



State of Idaho
Department of Environmental Quality
1410 North Hilton
Boise, Idaho 83706



U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington 98101

April 30, 2003

VIA FACSIMILE

Daniel E. Meyer
Site Manager/Project Coordinator
Upstream Mining Group
P.O. Box 1080
Kellogg, ID 83837

Re: Hecla's Annual Remedial Action Work Plan for the Bunker Hill Superfund Site;
Notice of Work Takeover

Dan
Dear Mr. Meyer:

EPA and IDEQ are writing this letter in follow-up to our letter dated April 18, 2003. In our letter, EPA and IDEQ directed Hecla to modify and resubmit the draft Annual Remedial Action Work Plan (Work Plan) to provide for only half of the Work required by the 1994 Consent Decree (CD). Specifically, EPA directed Hecla to modify the Work Plan to include the remediation of 100 residential yards (including high-risk yards) plus associated rights-of-way (ROWS) and commercial properties in the City of Wardner. Hecla failed to modify the Work Plan as directed and Hecla's failure to re-submit the Work Plan constitutes a violation of the terms and conditions of the CD. Instead, on April 24, 2003, Hecla provided EPA with notice that it was disputing EPA's decision to disapprove a portion of its proposed Work Plan.

As noted in our letter dated April 18, 2003, EPA and IDEQ partially approved Hecla's proposal to remediate residential properties in the Populated Areas, fund the Institutional Controls Program (ICP), and fund IDEQ oversight costs this year. Hecla estimates that its proposed Work Plan would provide funding for Hecla's project management, the ICP, half of IDEQ oversight costs, and the remediation of approximately 18 residential properties, including high-risk yards, this year. Hecla is obligated by the terms of the CD to perform this work during this construction season.

As a result of Hecla's failure to resubmit a Work Plan that fully incorporates EPA's and IDEQ's directed modifications, EPA, after consultation with IDEQ, has determined that Hecla has failed to provide a Work Plan that timely and adequately implements this season's cleanup work.

This letter provides Hecla with written notice that EPA and IDEQ, pursuant to Paragraph 91 of Section XXII of the CD, will assume the remediation of a minimum of 100 residential yards, rights-of-way, and commercial properties in the city of Kellogg south of I-90 this construction season. EPA and IDEQ have decided to assume a portion of this season's work to

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minimize any harm resulting from Hecla's deficient Work Plan submittal. EPA and IDEQ also considered other factors, such as the importance of this cleanup to public health, the communities' interest in maintaining the pace of the Populated Areas cleanup, and timing concerns related to EPA's and IDEQ's ability to prepare for performance of the assumed work during this construction season. EPA intends to fund the assumed work with a combination of money from the ASARCO Environmental Trust and the Superfund.

EPA's and IDEQ's assumption of approximately half of the 2003 Work required by the CD does not relieve Hecla of its obligation to submit a revised Work Plan as directed by EPA in its letter of April 18, 2003. EPA and IDEQ understand that this directive has been disputed by Hecla. However, unless this directive is modified or voided as a result of the dispute resolution process, Hecla will be obligated to submit a Work Plan for EPA approval that provides for the remediation of 100 residential yards (including high risks yards) plus associated ROWs and commercial properties in the City of Wardner. Upon approval, Hecla will be obligated to implement the approved Work Plan.

EPA and IDEQ plan to use the Page Pond Repository for disposal of contaminated residential soils. This letter also provides notice that EPA and IDEQ will require access to the Page Pond Repository as part of the performance of the assumed remedial work, and shall begin to exercise their access authority, as described in Section X of the CD, for access and use of the Page Pond Repository on May 1, 2003.

Finally, EPA and IDEQ propose a meeting with Hecla to further discuss the approved portions of the Work Plan and attempt to informally resolve the dispute triggered by Hecla on April 24, 2003. As discussed with Dan Meyer, EPA and IDEQ are available to meet with Hecla during the week of May 5 and look forward to confirming a meeting date soon.

Should you have any questions related to this letter, please direct your inquiries to Ted Yackulic, EPA Assistant Regional Counsel at 206-553-1218 or Curt Fransen, Idaho Deputy Attorney General, at 208-769-1589.

Sincerely,

SEE ATTACHED FOR SIGNATURE

Angela Chung
EPA Superfund Project Manager

Scott Peterson
IDEQ Project Manager

Cc: Chris Pfahl
Paul Glader
Rob Hanson (by email)
Curt Fransen (by email)
Ted Yackulic (by email)

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EPA's and IDEQ's assumption of approximately half of the 2003 Work required by the CD does not relieve Hecla of its obligation to submit a revised Work Plan as directed by EPA in its letter of April 18, 2003. EPA and IDEQ understand that this directive has been disputed by Hecla. However, unless this directive is modified or voided as a result of the dispute resolution process, Hecla will be obligated to submit a Work Plan for EPA approval that provides for the remediation of 100 residential yards (including high risks yards) plus associated ROWs and commercial properties in the City of Wardner. Upon approval, Hecla will be obligated to implement the approved Work Plan.

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